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UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES ANA DIVISION

In re
LESLIE KLEIN,
Debtor and Debtor in Possession,

DAVID BERGER,
Plaintiff

vs.

LESLIE KLEIN
Defendant

Case No. 2:23-bk-10990-SK

Hon. Sandra Klein

Chapter 11

**COMPLAINT FOR NONDISCHARGEABILITY
OF DEBT PURSUANT TO 11 USC §
523(a)(2)(A), 11 USC § 523(a)(4), & 11 USC §
523(a)(6); & FOR DENIAL OF DISCHARGE
PURSUANT TO 11 USC § 727(a)(2)(A); 11 USC
§ 727(a)(2)(B); 11 USC § 727(a)(3); 11 USC §
727(a)(4); 11 USC § 727(a)(5)**

**TO THE HONORABLE SANDRA R. KLEIN, UNITED STATES BANKRUPTCY
JUDGE, THE DEBTOR AND HIS COUNSEL, AND ALL OTHER INTERESTED
PARTIES:**

Plaintiff-Creditor, David Berger (“Plaintiff”), complain for nondischargeability of debt &
for denial of discharge against Defendant-Debtor, Leslie Klein (“Defendant”), and allege
respectfully as follows:

CORE/NON-CORE DESIGNATION

1. In accordance with Local Bankruptcy Rule 7008-1, Plaintiff alleges that this adversary
proceeding constitutes a core proceeding under 28 USC § 157(b)(2). Plaintiff
acknowledges that the Court has the power to enter final orders and judgments in this

1 matter. Plaintiff also consents to the Court's entry of final orders and judgments in this
2 matter under FRBP Rule 7008.

3 **JURISDICTION, VENUE & STANDING**

4 2. This adversary proceeding arises under *In re Klein*, 2:23-bk-10990-SK, a Chapter 11 case
5 commenced in the United States Bankruptcy Court for the Central District of California
6 (“Bankruptcy Case”). The Court has jurisdiction under 11 USC §§ 523 and 727, and 28
7 USC §§ 157 and 1334.

8 3. The venue is proper in this Court pursuant to 28 USC § 1409.

9 4. Plaintiff have standing to bring this action because Plaintiff is a(n omitted) creditor in the
10 Bankruptcy Case under 11 USC § 101(10).

11 **PARTIES**

12 5. The following is a description of the relevant parties involved in the facts forming the
13 basis of this Complaint.

14 6. Plaintiff is an individual, residing in Los Angeles County.

15 7. Defendant is an individual, whose principal residence is in Los Angeles County,
16 California and who regularly conducted business from Los Angeles County, California.
17 Defendant was a certified public accountant, formerly licensed by the State of California,
18 and a former, and an attorney licensed by the State of California.¹ Defendant is the debtor
19 in the above-captioned Chapter 11 bankruptcy case.

20 **GENERAL ALLEGATIONS**

21 8. The following general allegations form the background for the Plaintiff’s claims for relief
22

23 ¹ On September 10, 1992, the Supreme Court of the State of California, in State Bar Court Case No.
24 86-O-14258, ordered that Defendant be suspended from the practice of law for 18 months and
25 further ordered that he take and pass the California Professional Responsibility Examination
26 (“CPRE”). Defendant failed the November 1993 and January 1994 CPREs. In Case No.
27 86-O-14258, Defendant admitted to intentional misrepresentations. On August 3, 1995, the
28 Supreme Court of the State of California, in State Bar Court Case No. 92-O-11716 (consolidated
with Case Nos. 93-O-11825, 94-O-13951, 94-O12055, and 94-O15901) ordered that Defendant
be suspended from the practice of law for one year. In Case No. 92-O-11716, as consolidated,
Defendant admitted to willful violations of Rules of Professional Conduct concerning client trust
accounts and conflicts of interest.

1 against Defendant.

2 9. Defendant was the Plaintiff's friend and neighbor for more than 55 years.

3 10. Plaintiff did not receive timely notice of this bankruptcy proceeding as the Debtor
4 omitted listing Plaintiff on his Schedule F - general unsecured creditors.

5 11. On 2-17-2009, Leslie Klein ("Klein") on behalf of Leslie Klien & Associates, entered
6 into a *Memorandum of Agreement for Joint Venture* with Plaintiff (the "Gardner
7 Memo").

8 12. On 2-17-2009, Klein on behalf of BK Life Settlements, LLC ("BK Life") entered into a
9 *Life Insurance Policy Purchase Agreement* ("Gardner LIPPA") with Andrew and Yvette
10 Gardner ("Gardner") for the purchase of two (2) \$5,000,000.00 life insurance Policies
11 #1625579 & #1621379 totaling \$10,000,000.00 ("Gardner Policies") on the lives of
12 Gardner. Klein designated Leslie Klien & Associates and Plaintiff as the sole
13 beneficiaries of the Garner Policies. Klein had Plaintiff sign the Gardner LIPPA on
14 behalf of the buyer BK Life.

15 13. In furtherance of the Gardner Memo, Plaintiff paid Klein's IOLTA account with his law
16 firm, Leslie Klien & Associates, \$400,000.00 towards the purchase of the two Gardner
17 Policies.

18 14. Per the Gardner Memo, Klein promised to pay Plaintiff \$5,000,000.00 upon the last
19 Gardner to die.

20 15. On or about 11-16-2015, Klein wrote to Plaintiff:

21 Dear David: You are right. We have been friends for the last fifty years and I
22 would not do anything that would adversely affect your interest in the Gardner
policy.

23 16. Thereafter, Klein apparently sold portions or the entirety of the Gardner Policy to GMR
24 Life Settlements LLC ("GMR Life") without Plaintiff's consent. Klein concealed this
25 information from Plaintiff.

26 17. Thereafter, on or about May of 2011, Klein apparently sold portions or the entirety of the
27 Gardner Policy and to Life Capital Group, LLC ("LCG"), without Plaintiff's consent.
28

1 Klein concealed this information from Plaintiff.

2 18. According to information recently received by Plaintiff, Klein and Shlomo Yehuda
3 Rechnitz of LCG, agreed that upon the death of Gardner, Klein and Rechnitz would be
4 reimbursed the premiums that they paid, plus interest on the premiums. Thereafter, Klein
5 and Rechnitz would split the profits 50/50 of the Gardner Policy, and that Plaintiff would
6 receive his \$5,000,000.00.

7 19. The Gardner's apparently died in 2021 - 2022, and Klein collected the Gardner Proceeds,
8 on the Gardner Policy. Klein concealed this information from Plaintiff, misappropriated
9 & kept the Gardner Proceeds for himself, and failed to pay Plaintiff the \$5,000,000.00
10 per the Gardner Memo.

11 20. Pursuant to by Bankruptcy Rule 3001(c)(2)(A), interest of 10% on the \$5,000,000.00,
12 since 2-17-2009 (1565 days at \$1,369.8630 interest per day) comes to \$2,143,835.62,
13 bringing the total amount due at \$7,143,835.62.

14 21. During this entire time, Defendant repeatedly assured Plaintiff that premiums of the
15 Gardner Policy were being timely made, and that his investment in the Gardner Policy
16 was secure and accruing interest.

17 **PLAINTIFF'S DISCOVERY OF DEFENDANT'S FRAUD**

18 22. On or about 7-29-2022, Plaintiff discovered the above-referenced frauds and
19 concealment.

20 **FIRST CLAIM FOR RELIEF**
21 **(Nondischargeability of Debt - 11 USC § 523(a)(2)(A))**

22 23. Plaintiff realleges and incorporates by reference all of the prior and subsequent
23 allegations in this Complaint as though fully set forth herein.

24 24. At all relevant times, Defendant acted as Plaintiff's fiduciary - investment adviser.
25 Plaintiff entrusted Defendant implicitly with his investment in the Gardner insurance
26 policies.

27 25. Defendant owed Plaintiff fiduciary duties at all relevant times, including the duty of
28 loyalty and candor. Defendant further owed a duty to use Plaintiff's funds for legitimate

business purposes and to refrain from using their funds and other property for his own personal non-business purposes.

26. Defendant embezzled and stole from Plaintiff. Defendant misrepresented the above-referenced information to Plaintiff for the purpose of convincing Plaintiff to invest in the Gardner Policy into Defendant's IOLTA client trust account. Defendant then stole more than \$400,000.00 of Plaintiff's money in a complicated life insurance scam, constituting intentional fraudulent, fraudulent concealment, and breach of fiduciary duty.

27. Defendant's misappropriation of Plaintiff's funds and other property was unauthorized, without his consent and fraudulent. Defendant acted with the intent to permanently deprive Plaintiff of the possession, use and benefit of their funds and other property.

28. As a result of Defendant's unauthorized and fraudulent misappropriation of Plaintiff's funds and other property and Defendant's false pretenses, false representations, and actual fraud set forth herein, Plaintiff have suffered damages in the amount of not less than \$7,143,835.62.

29. Defendant's debt to Plaintiff is nondischargeable under 11 USC § 523(a)(2) because it was incurred as a result of false pretenses, false representations, and actual fraud.

30. The damages arising from Defendant's willful and malicious false pretenses, false representation and actual fraud to Plaintiff constitutes a debt against Defendant that is nondischargeable pursuant to 11 USC § 523(a)(2)(A).

**SECOND CLAIM FOR RELIEF
(Nondischargeability of Debt - 11 USC § 523(a)(4))**

31. Plaintiff realleges and incorporates by reference all of the prior and subsequent allegations in this Complaint as though fully set forth herein.

32. At all relevant times, Defendant acted as Plaintiff's fiduciary - investment adviser. Plaintiff entrusted Defendant implicitly with his investments in the Gardner insurance policies.

33. Defendant owed Plaintiff fiduciary duties at all relevant times, including the duty of loyalty and candor. Defendant further owed a duty to use Plaintiff's funds for legitimate

business purposes and to refrain from using their funds and other property for his own personal non-business purposes.

34. Defendant embezzled and stole from Plaintiff. Defendant misrepresented the above-referenced information to Plaintiff for the purpose of convincing Plaintiff to invest in the Gardner Policy into Defendant's IOLTA client trust account. Defendant then stole more than \$400,000.00 of Plaintiff's money in a complicated life insurance scam, constituting intentional fraudulent, fraudulent concealment, breach of fiduciary duty and elder abuse.

35. Defendant's misappropriation of Plaintiff's funds and other property was unauthorized, without his consent and fraudulent. Defendant acted with the intent to permanently deprive Plaintiff of the possession, use and benefit of his funds and other property.

36. As a result of Defendant's unauthorized and fraudulent misappropriation of Plaintiff's funds and other property and Defendant's false pretenses, false representations, and actual fraud set forth herein, Plaintiff have suffered damages in the amount of not less than \$7,143,835.62.

37. The damages to Plaintiff arising from Defendant's fraud, defalcation, embezzlement and larceny while acting in a fiduciary capacity constitutes a debt against Defendant that is non-dischargeable pursuant to 11 USC § 523(a)(4).

THIRD CLAIM FOR RELIEF
(Nondischargeability of Debt - 11 USC § 523(a)(6))

38. Plaintiff realleges and incorporates by reference all of the prior and subsequent allegations in this Complaint as though fully set forth herein.

39. At all relevant times, Defendant acted as Plaintiff's fiduciary - investment adviser. Plaintiff entrusted Defendant implicitly with their investments in the insurance policies.

40. Defendant owed Plaintiff fiduciary duties at all relevant times, including the duty of loyalty and candor. Defendant further owed a duty to use Plaintiff's funds for legitimate business purposes and to refrain from using his funds and other property for his own personal non-business purposes.

41. Defendant embezzled and stole from Plaintiff. Defendant misrepresented the above-

1 referenced information to Plaintiff for the purpose of convincing Plaintiff to invest in
2 Gardner policies into Defendant's IOLTA client trust account. Defendant then stole more
3 than \$400,000.00 of Plaintiff' money in a complicated life insurance scam, constituting
4 intentional fraudulent, fraudulent concealment, breach of fiduciary duty and elder abuse.

5 42. Defendant's misappropriation of Plaintiff' funds and other property was unauthorized,
6 without his consent and fraudulent. Defendant acted with the intent to permanently
7 deprive Plaintiff of the possession, use and benefit of their funds and other property.

8 43. As a result of Defendant's unauthorized and fraudulent misappropriation of Plaintiff'
9 funds and other property and Defendant's false pretenses, false representations, and
10 actual fraud set forth herein, Plaintiff have suffered damages in the amount of not less
11 than \$7,143,835.62.

12 44. The damages to Plaintiff arising from Defendant's willful and malicious injury to
13 Plaintiff constitutes a debt against Defendant that is non-dischargeable pursuant to 11
14 USC § 523(a)(6).

15 **FOURTH CAUSE OF ACTION**
16 **(Objection to Debtor's Discharge 11 USC § 727(a)(2)(A))**

17 45. Plaintiff realleges and incorporates by reference all of the prior and subsequent
18 allegations in this Complaint as though fully set forth herein.

19 46. Plaintiff is informed and believes that within one year before the Petition, Defendant
20 transferred, removed, and/or concealed, or permitted to be transferred, removed, and/or
21 concealed, Defendant's property.

22 47. As of the dates of the transfers, removals, and/or concealments of Defendant's property,
23 Defendant had one or more unsecured creditors.

24 48. The transfers, removals, and/or concealments of Defendant's property prevented the
25 distribution of Defendant's property to Defendant's unsecured creditors.

26 49. Defendant, with intent to hinder, delay, and/or defraud at least one of Defendant's
27 creditors, including, without limitation, Plaintiff, transferred, removed, and/or concealed,
28 or permitted to be transferred, removed, and/or concealed, Defendant's property.

1 50. By transferring, removing, concealing, and/or permitting the transfer, removal, and/or
2 concealment of Defendant's property with the intent to hinder, delay, and/or defraud at
3 least one of Defendant's creditors, Defendant violated 11 USC § 727(a)(2)(A).

4 51. Defendant failed to list valuable property on his schedule of assets and failed in his
5 statement of affairs to disclose property transfers.

6 52. Defendant has a reckless indifference to the truth.

7 **FIFTH CAUSE OF ACTION**
8 **(Objection to Debtor's Discharge 11 USC § 727(a)(2)(B))**

9 53. Plaintiff realleges and incorporates by reference all of the prior and subsequent
10 allegations in this Complaint as though fully set forth herein.

11 54. Plaintiff is informed and believes that After the Petition, Defendant transferred, removed,
12 concealed, and/or permitted to be transferred, removed, and/or concealed, property of the
13 Bankruptcy estate.

14 55. As of the dates of the transfers, removals, and/or concealments of the property of the
15 estate, Defendant had one or more unsecured creditors.

16 56. The transfers, removals, and/or concealments of the property of the estate prevented the
17 distribution of this property to Defendant's unsecured creditors.

18 57. Defendant, with intent to hinder, delay, and/or defraud at least one of Defendant's
19 creditors, transferred, removed, and/or concealed, or permitted to be transferred,
20 removed, and/or concealed, property of the estate.

21 58. By transferring, removing, concealing, and/or permitting the transfer, removal, and/or
22 concealment of estate property, with the intent to hinder, delay, and/or defraud at least
23 one of Defendant's creditors, Defendant violated 11 USC § 727(a)(2)(B).

24 59. Defendant failed to list valuable property on his schedule of assets and failed in his
25 statement of affairs to disclose property transfers.

26 60. Defendant has a reckless indifference to the truth.

27 ///

28 ///

SIXTH CAUSE OF ACTION
(Objection to Debtor's Discharge 11 USC § 727(a)(3))

61. Plaintiff realleges and incorporates by reference all of the prior and subsequent allegations in this Complaint as though fully set forth herein.

62. Plaintiff is informed and believes that Defendant has not maintained adequate books and records from which Debtor's financial condition can be ascertained. Debtor has consistently not maintained adequate books and records. His failure to keep adequate books and records is not justified considering the circumstances articulated in this Complaint.

63. Defendant has concealed, destroyed, falsified, and/or failed to keep or preserve information from which Defendant's financial condition and/or business transactions might be ascertained.

64. Defendant has not been cooperative with the Office of the United States Trustee ("OUST") or with his creditors. Defendant has intentionally withheld records, books, documents, and/or other papers relating to Defendant's property and/or financial affairs.

65. Considering the foregoing, Defendant's discharge must be denied under 11 USC § 727(a)(3).

SEVENTH CAUSE OF ACTION
(Objection to Debtor's Discharge 11 USC § 727(a)(4))

66. Plaintiff realleges and incorporates by reference all of the prior and subsequent allegations in this Complaint as though fully set forth herein.

67. Plaintiff is informed and believes that Defendant has not made simple isolated errors or omissions in his Bankruptcy filings. Defendant's filings, such as his schedules and statement of affairs, do not reflect inadvertence or incompetence; rather, they exhibit fraudulent intent.

68. Defendant has a pattern of misleading conduct.

69. Defendant has a reckless indifference to the truth.

70. Defendant has failed to list assets in his schedules.

71. Defendant has falsely testified in the 341 Meeting.²

72. Defendant has knowingly and fraudulently made false oaths and/or accounts in the Bankruptcy Case.

73. Defendant has failed to provide records which are necessary for the OUST and his creditors to properly understand Defendant's financial condition and/or recent business transactions.

74. Considering the foregoing, Defendant's discharge must be denied under 11 USC § 727(a)(4).

**EIGHTH CAUSE OF ACTION
(Objection to Debtor's Discharge 11 USC § 727(a)(5))**

75. Plaintiff realleges and incorporates by reference all of the prior and subsequent allegations in this Complaint as though fully set forth herein.

76. Defendant has failed to explain satisfactorily his deficiency and/or loss of assets to meet Debtor's liabilities. No determination has yet been made of an entitlement to a discharge in this Bankruptcy Case.

77. Considering the foregoing, Defendant's discharge must be denied under 11 USC § 727(a)(5).

² At the 3-13-2023 341(a) Meeting, Defendant at circa 11:15 testified in response to omissions to be brought to the attention of the United States Trustee ("UST"), that there were only "three minor errors" which he thought that his attorney corrected. Defendant testified that there were "no" errors related to any assets that he owns. At circa 12:52, Defendant testified that he identified all assets on his schedules. Defendant at circa 1:18:30-1:09:21 testified that in the year before the Bankruptcy, he received no commissions from his third-party life insurance deals. At circa 1:20:18, Defendant testified that he has not ever collected money on his third-party life insurance deals. At circa 1:22:18, Defendant testified that he has never received a payoff on his third-party life insurance deals. At circa 1:23:21, Defendant testified that four people have died and that he has received no money. Defendant at circa 1:39:00 testified, in response to whether he had transactions with Shlomo Rechnitz in the last five or six months relating to the thirdparty life insurance policies, "nope." Defendant testified that he does not remember paying the premiums for these policies out of his attorney client trust account at any time. Defendant at circa 1:40:03 testified that he does not remember depositing his own funds into his attorney-client trust account so that these insurance premiums could be paid. In response to the question of whether Defendant traveled out of the country anywhere recently, other than Israel, Defendant at circa 2:23:00 testified, "nope." In response to the question of whether Defendant has bank accounts in Israel, Defendant at circa 2:26:48 testified, "nope." Defendant at circa 2:59:15 testified that he has not transferred any assets within the last year to a third party. Defendant at circa 2:59:33 testified that he has not given any gifts more than \$12,000.00 to his family.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff request judgment on the Complaint as follows:

1. On the First Claim for Relief, Plaintiff seek an order determining that Defendant is indebted to Plaintiff in an amount not less than \$7,143,835.62 and that Defendant's debt is excepted from discharge pursuant to 11 USC § 523(a)(2)(A);
2. On the Second Claim for Relief, Plaintiff seek an order determining that Defendant is indebted to Plaintiff in an amount not less than \$7,143,835.62 and that Defendant's debt is excepted from discharge pursuant to 11 USC § 523(a)(4);
3. On the Third Claim for Relief, Plaintiff seek an order determining that Defendant is indebted to Plaintiff in an amount not less than \$7,143,835.62 and that Defendant's debt is excepted from discharge pursuant to 11 USC § 523(a)(6);
4. On the Fourth Claim for Relief, Plaintiff seek an order denying Defendant his discharge pursuant to 11 USC § 727(a)(2)(A);
5. On the Fifth Claim for Relief, Plaintiff seek an order denying Defendant his discharge pursuant to 11 USC § 727(a)(2)(B);
6. On the Sixth Claim for Relief, Plaintiff seek an order denying Defendant his discharge pursuant to 11 USC § 727(a)(3);
7. On the Seventh Claim for Relief, Plaintiff seek an order denying Defendant his discharge pursuant to 11 USC § 727(a)(4);
8. On the Eighth Claim for Relief, Plaintiff seek an order denying Defendant his discharge pursuant to 11 USC § 727(a)(5);
9. For costs of suit incurred herein; and
10. For such other and further relief as the Court may deem appropriate.

DATED: June 9, 2023

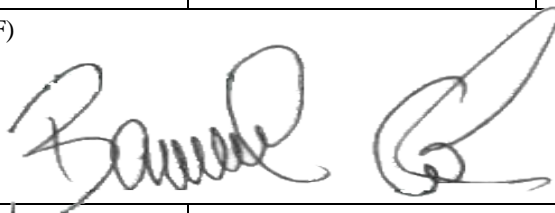
LAW OFFICE OF BARUCH C. COHEN
A Professional Law Corporation

By /S/ Baruch C. Cohen
Baruch C. Cohen, Esq.
Attorney For Creditor David Berger

B1040 (FORM 1040) (12/15)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)
PLAINTIFFS DAVID BERGER	DEFENDANTS LESLIE KLEIN	
ATTORNEYS (Firm Name, Address, and Telephone No.) Baruch C. Cohen, Esq. (SBN 159455) (323) 937-4501 LAW OFFICE OF BARUCH C. COHEN, A Professional Law Corporation 4929 Wilshire Boulevard, Suite 940, Los Angeles CA 90010	ATTORNEYS (If Known)	
PARTY (Check One Box Only) <input type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input checked="" type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee	PARTY (Check One Box Only) <input checked="" type="checkbox"/> Debtor <input type="checkbox"/> U.S. Trustee/Bankruptcy Admin <input type="checkbox"/> Creditor <input type="checkbox"/> Other <input type="checkbox"/> Trustee	
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) COMPLAINT FOR NONDISCHARGEABILITY OF DEBT PURSUANT TO 11 USC § 523(a)(2)(A), 11 USC § 523(a)(4), & 11 USC § 523(a)(6); & FOR DENIAL OF DISCHARGE PURSUANT TO 11 USC § 727(a)(2)(A); 11 USC § 727(a)(2)(B); 11 USC § 727(a)(3); 11 USC § 727(a)(4); 11 USC § 727(a)(5)		
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		
FRBP 7001(1) – Recovery of Money/Property <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other FRBP 7001(2) – Validity, Priority or Extent of Lien <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property FRBP 7001(3) – Approval of Sale of Property <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) FRBP 7001(4) – Objection/Revocation of Discharge <input checked="" type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) FRBP 7001(5) – Revocation of Confirmation <input type="checkbox"/> 51-Revocation of confirmation FRBP 7001(6) – Dischargeability <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input checked="" type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input checked="" type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column)	FRBP 7001(6) – Dischargeability (continued) <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input checked="" type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other FRBP 7001(7) – Injunctive Relief <input type="checkbox"/> 71-Injunctive relief – imposition of stay <input type="checkbox"/> 72-Injunctive relief – other FRBP 7001(8) Subordination of Claim or Interest <input type="checkbox"/> 81-Subordination of claim or interest FRBP 7001(9) Declaratory Judgment <input type="checkbox"/> 91-Declaratory judgment FRBP 7001(10) Determination of Removed Action <input type="checkbox"/> 01-Determination of removed claim or cause Other <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)	
<input type="checkbox"/> Check if this case involves a substantive issue of state law	<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23	
<input type="checkbox"/> Check if a jury trial is demanded in complaint	Demand \$ 7,143,835.62	
Other Relief Sought		

B1040 (FORM 1040) (12/15)

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR LESLIE KLEIN		BANKRUPTCY CASE NO. 2:23-bk-10990-SK
DISTRICT IN WHICH CASE IS PENDING Central District of California	DIVISION OFFICE Los Angeles	NAME OF JUDGE Klein
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF) 		
DATE 6/9/2023		PRINT NAME OF ATTORNEY (OR PLAINTIFF) Baruch C. Cohen, Esq.

INSTRUCTIONS

The filing of a bankruptcy case creates an “estate” under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor’s discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also must complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court’s Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff’s attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.